

**THE OFFICE OF REGULATORY STAFF
SURREBUTTAL TESTIMONY AND EXHIBITS
OF
WILLIE J. MORGAN**



DOCKET NO. 2005-13-WS

**Application of Wyboo Plantation Utilities,
Inc. for Approval of New Schedule of Rates
and Charges for Water and Sewer Services**

SURREBUTTAL TESTIMONY OF WILLIE J. MORGAN

FOR

THE OFFICE OF REGULATORY STAFF

DOCKET NO. 2005-13-WS

IN RE: WYBOO PLANTATION UTILITIES, INC.

Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND OCCUPATION.

A. My name is Willie J. Morgan, and my business address is 1441 Main Street, Suite 300, Columbia, South Carolina 29201. I am employed by the State of South Carolina, Office of Regulatory Staff (“ORS”) as the Program Manager for the Water and Wastewater Department.

Q. WHAT IS THE PURPOSE OF YOUR SURREBUTTAL TESTIMONY INVOLVING WYBOO PLANTATION UTILITIES, INC. (“WYBOO”) FOR THIS PROCEEDING?

A. The purpose of my testimony is to clarify ORS’s position on certain issues raised by Mr. Mark Wrigley of Wyboo in his rebuttal testimony concerning Wyboo’s rate case application. Specifically, I will focus on the Mill Creek subdivision service area extension, customer count, the return of interest on customer deposits, the customer deposit requirement as presented by Wyboo, and the utility management issues as discussed in Mr. Wrigley’s rebuttal testimony.

1 **Q. HAS ORS CHANGED ITS POSITION ON THE ISSUE OF WYBOO**
2 **EXTENDING ITS SERVICE AREA WITHOUT COMMISSION**
3 **APPROVAL?**

4 A. No. Commission Order No. 1998-33 granted Wyboo a Certificate of Public
5 Convenience and Necessity to operate a sewer utility in Clarendon County, South
6 Carolina in and near the Wyboo Plantation Subdivision. However, the service
7 area map included with the application in Commission Docket No. 1997-391-S
8 did not include the Mill Creek subdivision. See Exhibit WJM-17. Therefore,
9 Wyboo should have applied to the Commission for an expansion of its service
10 area prior to providing sewer service to the customers of the Mill Creek
11 subdivision. See Exhibit WJM-18.

12 **Q. WHAT IS ORS'S POSITION CONCERNING WYBOO'S REBUTTAL**
13 **TESTIMONY REGARDING CHARGING DEPOSITS?**

14 A. Wyboo obtained Commission approval during its rate establishment cases
15 (Commission Docket Nos. 1997-391-S and 1996-227-W) to utilize uniform rates
16 to all customers that included two (2) customer classifications: monthly sewer
17 usage and monthly water usage. Now Wyboo has proposed the following
18 customer classifications: Residential, Residential Swimming Pool, Irrigation,
19 Commercial, Commercial/Mobile Home, and Commercial/Mobile Home
20 Irrigation. ORS found during its audit that not all customers of a specific
21 classification were being charged a deposit. The current practice of charging
22 deposits to "transient rental customers" as stated by Wyboo is improper as the
23 Wyboo tariff does not include a customer classification for "transient rental

1 customers.” Also, Wyboo does not evaluate customers located in its service area
2 in Clarendon County to determine if they are “transient rental customers.” Hence,
3 none of the Clarendon County residences are currently being charged a deposit.
4 Therefore, Wyboo should charge deposits consistently and in compliance with
5 Commission rules and regulations. Each customer within a given customer
6 classification should be required to comply with the same deposit requirements as
7 required by 26 SC Code Regs 103-731.

8 **Q. WHAT IS ORS’S POSITION CONCERNING WYBOO’S REBUTTAL**
9 **TESTIMONY REGARDING INTEREST PAYMENT ON DEPOSITS?**

10 A. ORS believes that it is appropriate for Wyboo to account for all interest on
11 deposits as required by 26 SC Code Regs 103-531 and 103-731. However, it is
12 ORS’s position that Wyboo should return to its customers all interest payments on
13 deposits that are required pursuant to 26 SC Code Regs 103-531.2 and 103-
14 103.731.2. Therefore, ORS encourages the Commission to require Wyboo to
15 provide documentation that it has completed the refund of this interest.

16 **Q. WHAT IS ORS’S POSITION WITH RESPECT TO WYBOO’S**
17 **COMMENTS CONCERNING ITS INTENT TO COMPLY WITH**
18 **COMMISSION RULES AND REGULATIONS?**

19 A. Wyboo provides a positive position on its planned efforts to comply with
20 Commission rules and regulations concerning items identified during the Business
21 Office Compliance Review of Wyboo completed by ORS. ORS respectfully
22 requests that no new rates be implemented until Wyboo has corrected all items

1 identified during the Business Office Compliance Review and is in compliance
2 with all Commission rules and regulations.

3 **Q. HAS YOUR POSITION CONCERNING CUSTOMER CALCULATIONS**
4 **CHANGED AFTER REVIEWING THE ADDITIONAL INFORMATION**
5 **THAT WAS PROVIDED BY WYBOO?**

6 A. No. Due to the format of the information provided to ORS and the timing of the
7 submittal of the additional information, ORS has been unable to adequately
8 evaluate the additional customer account information received after filing direct
9 testimony. My direct testimony concerning customer calculations is based on an
10 audit of billing records provided to ORS by Wyboo and our site audit of the
11 service area.

12 **Q. DOES THAT CONCLUDE YOUR SURREBUTAL TESTIMONY?**

13 A. Yes, it does.

THE OFFICE OF REGULATORY STAFF

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Rates and Charges for Water and Sewer Services**

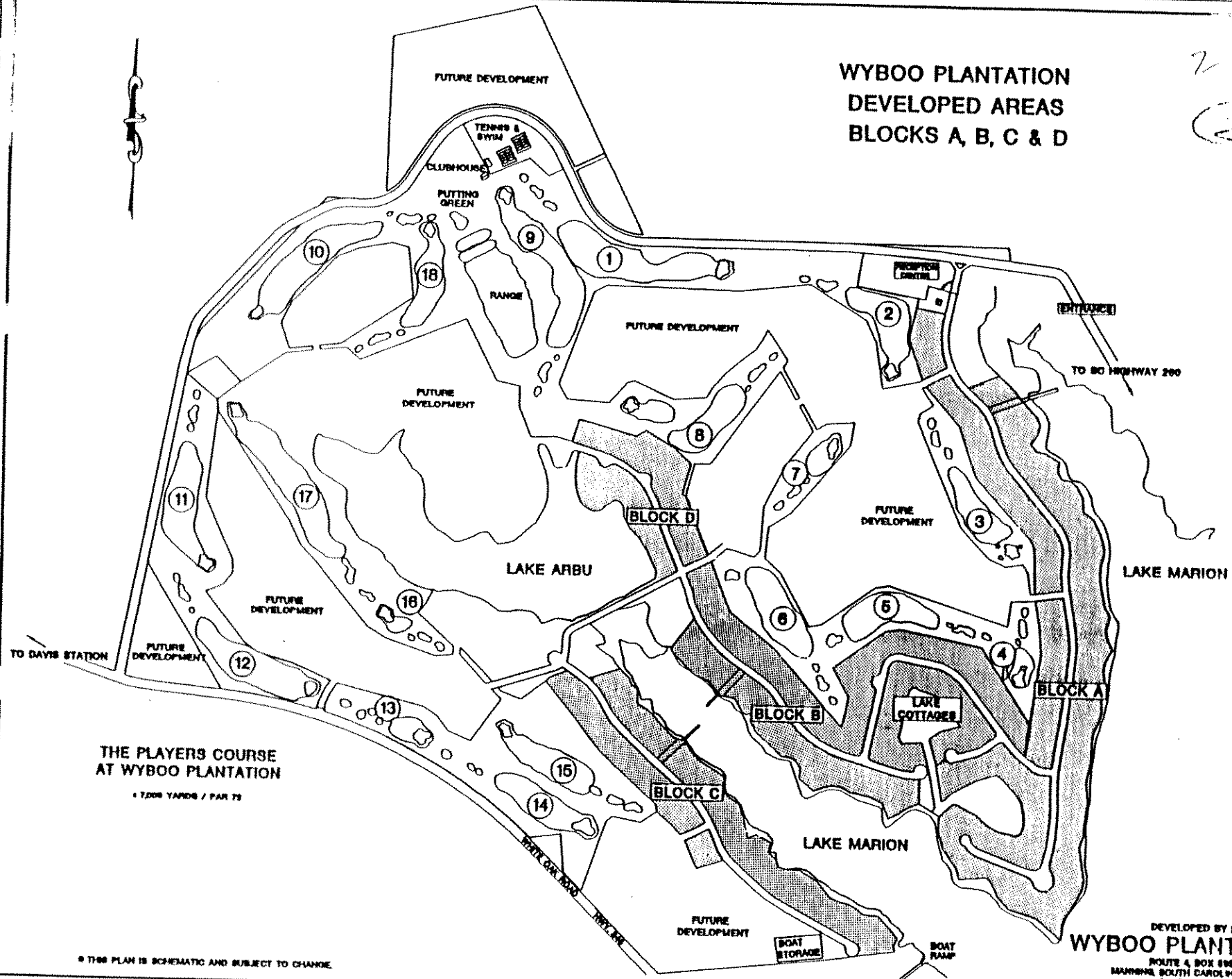
WILLIE J. MORGAN SURREBUTAL TESTIMONY

EXHIBIT INDEX

<u>EXHIBIT NO.</u>	<u>EXHIBIT TYPE</u>	<u>PREPARED BY</u>
WJM-17	Wyboo Service Area Map from Sewer Service Rate Establishment Application	Wyboo
WJM-18	Wyboo Service Area Map from Current Application Audit	Wyboo

Exhibit WJM-17

WYBOO PLANTATION DEVELOPED AREAS BLOCKS A, B, C & D



© 1988 PLAN IS SCHEMATIC AND SUBJECT TO CHANGE.

DEVELOPED BY:
WYBOO PLANTATION
ROUTE 4, BOX 500
MANNING, SOUTH CAROLINA 29302
(803) 478-7868

Exhibit WJM-18
(Large Map-Can Be Viewed at
Offices of SC Public Service
Commission)

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2005-13-WS

IN RE:)	
)	
Application of Wyboo Plantation Utilities,)	
Incorporated for Approval of New Schedule)	CERTIFICATE OF
Of Rates and Charges for Water and Sewer)	SERVICE
Services)	

This is to certify that I, Pamela J. McMullan, an employee with the Office of Regulatory Staff, have this date served one (1) copy of the **SURREBUTTAL TESTIMONY AND EXHIBITS OF WILLIE J. MORGAN** in the above-referenced matter to the person(s) named below by causing said copy to be deposited in the United States Postal Service, first class postage prepaid and affixed thereto, and addressed as shown below:

John F. Beach, Esquire
Ellis Lawhorne & Sims, PA
Post Office Box 2285
Columbia, SC 29202

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Robert E. Tyson Jr., Esquire
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Columbia, SC, 29211

/s/ Pamela J. McMullan
Pamela J. McMullan

December 1, 2006
Columbia, South Carolina